

Annual Report

For the Year Ending June 30, 2002

The Metropolitan Government of Nashville and Davidson County (the Government) submits the Annual Report for the year ended June 30, 2002 in compliance with the continuing disclosure requirement of Rule 15c2-12 of the Securities and Exchange Commission. The Government's Annual Report consists of the Comprehensive Annual Financial Report (CAFR), prepared in accordance with generally accepted accounting principles and other operating data as contained in final official statements issued by the Government.

The Government's Annual Report for the year ending June 30, 2002 relates to the following issues:

Water and Sewer Revenue Refunding Bonds, Series 1996	\$ 74,725,000
G.O. Multi-Purpose Improvement, Series 1996 (Stadium Project)	\$ 74,880,000
Public Improvement Revenue Bonds (Stadium Project), Series 1996	\$ 78,970,000
Meharry Medical College Project, Series 1996	\$ 55,050,000
G.O. Multi-Purpose Improvement, Series 1996A	\$ 96,135,000
G.O. Refunding Bonds of 1996	\$ 34,305,000
G.O. Refunding Bonds, Series 1997	\$ 110,990,000
G.O. Multi-Purpose Improvement Bonds, Series 1997A	\$ 150,000,000
Water and Sewer Revenue Refunding Bonds, Series 1998A	\$ 156,315,000
Water and Sewer Revenue Bonds, Series 1998B	\$ 55,000,000
Taxable Public Facility Revenue Bonds, Series 1998	\$ 20,700,000
G.O. Public Improvement and Refunding Bonds, Series 1999	\$ 187,500,000
G.O. Multi-Purpose Improvement Bonds, Series 2001A	\$ 262,155,000
G.O. Multi-Purpose Refunding Bonds, Series 2001B	\$ 73,745,000
G.O. (Tax Exempt) Thermal Refunding Bonds, 2002A	\$ 31,065,000
G.O. (Taxable) Thermal Refunding Bonds, 2002B	\$ 27,000,000
SLO Correctional Facility Revenue Refunding Bonds, 2002	\$ 16,265,000
G.O. Multi-Purpose Refunding Bonds, Series 2002	\$ 108,690,000
Water and Sewer Revenue Refunding Bonds, Series 2002	\$ 30,225,000
DES Revenue Bonds, 2002A (Issue Dated: October 1, 2002)	\$ 66,700,000

The audited financial statements for Meharry Medical College and Nashville Thermal Transfer Corporation, along with Constellation Energy Group's Annual Report, are also submitted. For electronic copies of the 2002 Bond Official Statements, please visit the Investor Relations section on our website at www.nashville.gov/finance/investor_relations.htm. The 2002 CAFR is also available in the What's New section, found in the top right corner, of the Finance home page (www.Nashville.gov/Finance/index.htm).

Annual Report

For the Year Ending June 30, 2002

The following table references, for the issues listed above, the updated information as contained in the Yearly Information Statement of each issue's final official statement:

Priority Capital Projects Planning	Attachment 1
Property Taxes:	
Ratios of Tax Levy	CAFR- H4
Assessed Valuation and Estimated Market Value	Attachment 2
Tax Collection	CAFR- B44-45
Analysis of Tax Levies and Collections	CAFR- H6-7
Schedule of Delinquent Property Taxes Receivable - By Type	CAFR- G-14
Principal Taxpayers	CAFR- H8
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Total Debt Service as of June 30, 2002 Secured by Ad Valorem Taxes	Attachment 8
Nashville Thermal Transfer Corporation	CAFR- B40, B58-69
Sports Authority Financial Information	CAFR - F2-5
Summary of the Unfunded Pension Benefit Obligation of the City and County Plans and the Board of Education Plans	CAFR- B69-89
Schedule of Historic and Projected Non-Tax Revenues	Attachment 9
Annual Information from Nashville Thermal Transfer Corporation Relative to the Energy Production Facility Revenue Bonds, Series 1997A and Series 1997B.	Attachment 10
State of TN Annual Financial Information- SLO Correctional Facilities Revenue Refunding Bonds, Series 2002, dated February 1, 2002	Attachment 11

In addition to the Government's Annual Report, the Government also submits an annual report prepared by the Department of Water and Sewer for its Revenue Refunding Bonds, Series 1996; its Revenue Refunding Bonds, Series 1998A; and its Revenue Bonds, Series 1998B. Also included, the Continuing Disclosure Updates for Sports Authority, relating to Public Improvement Revenue Bonds, Series 1996 and Taxable Public Facility Revenue Bonds, Series 1998, an overview of the District Energy System (DES) and the State of Tennessee's 2002 CAFR (www.state.tn.us/finance/act/cafr.html).

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
PRIORITY CAPITAL PROJECTS PLANNING (1)

	Four Year Total	2003-04	2004-05	2005-06	2006-07
<u>GENERAL SERVICE DISTRICTS</u>					
Bordeaux Hospital	\$ -	\$ -	\$ -	\$ -	\$ -
Codes Administration	-	-	-	-	-
Finance Department	38,000,000	9,500,000	9,500,000	9,500,000	9,500,000
Fire Department	4,981,000	1,200,000	1,175,000	1,258,000	1,348,000
General Hospital	-	-	-	-	-
General Services	56,168,000	14,545,000	16,281,000	14,272,000	11,070,000
Health Department	-	-	-	-	-
Historical Commission	-	-	-	-	-
Information Systems	-	-	-	-	-
Mayor's Office of Emergency Management	-	-	-	-	-
Medical Examiner	-	-	-	-	-
Metro Development and Housing Agency	212,150,000	102,400,000	56,900,000	27,850,000	25,000,000
Metro Transit Authority	53,862,000	41,428,000	3,978,000	4,325,000	4,131,000
Municipal Auditorium	1,150,000	750,000	200,000	-	200,000
Nashville Electric Service	284,657,000	69,620,000	70,600,000	72,075,000	72,362,000
Nashville Arena	80,000	20,000	20,000	20,000	20,000
Nashville Career Advancement Center	-	-	-	-	-
Parks and Recreation	23,000,000	17,325,000	5,175,000	500,000	-
Police Department	12,462,000	2,200,000	10,262,000	-	-
Public Library	24,478,000	5,254,000	5,039,000	10,916,000	3,269,000
Public Works	484,950,000	148,746,000	156,360,000	92,014,000	87,830,000
Public Education Government Group	-	-	-	-	-
Sheriff's Department	-	-	-	-	-
Social Services	1,976,000	550,000	826,000	550,000	50,000
Stormwater Division	24,120,000	4,030,000	5,530,000	6,530,000	8,030,000
Tennessee State Fair Board	-	-	-	-	-
Water & Sewerage Services	173,020,000	53,850,000	52,105,000	55,640,000	11,425,000
	-	-	-	-	-
Total G.S.D.	\$ 1,395,054,000	\$ 471,418,000	\$ 393,951,000	\$ 295,450,000	\$ 234,235,000
<u>URBAN SERVICE DISTRICTS</u>					
Public Works	\$ 105,000,000	\$ 29,750,000	\$ 29,750,000	\$ 22,750,000	\$ 22,750,000
Fire Department	26,663,000	6,680,000	13,063,000	3,319,000	3,601,000
Stormwater Division	6,000,000	1,000,000	1,500,000	2,000,000	1,500,000
	-	-	-	-	-
Total U.S.D.	137,663,000	37,430,000	44,313,000	28,069,000	27,851,000
Schools	121,595,000	69,740,000	17,285,000	17,285,000	17,285,000
Grand Total	\$ 1,654,312,000	\$ 578,588,000	\$ 455,549,000	\$ 340,804,000	\$ 279,371,000

(1) The following information identifies capital projects in the Metro Nashville / Davidson County FY 2003 Operating Budget.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
ANALYSIS of ORIGINAL ASSESSMENT INCLUDING SUPPLEMENTAL (1)
and ESTIMATED CURRENT VALUE of all TAXABLE PROPERTY (2)

Ten Year Summary

Fiscal Year	Estimated Current Property Value (3)	General Services District				Urban Services District			
		GSD Total	Realty	Personalty	Public Utility	USD Total	Realty	Personalty	Public Utility
1992-93	23,710,812,574	6,031,782,580	5,206,574,441	466,910,155	358,297,984	4,438,090,931	3,768,171,088	374,529,094	295,390,749
1993-94	24,154,889,503	7,645,927,094	6,564,860,490	588,900,423	492,166,181	5,536,342,048	4,660,546,128	468,042,087	407,753,833
1994-95	24,554,554,540	7,809,222,537	6,665,738,964	604,633,877	538,849,696	5,542,872,889	4,604,202,408	487,181,673	451,488,808
1995-96	26,686,385,238	7,949,116,583	6,854,887,568	616,396,850	477,832,165	5,567,272,438	4,695,089,938	472,017,573	400,164,927
1996-97	27,908,069,594	8,192,586,699	7,050,026,895	668,743,347	473,816,457	5,691,540,025	4,784,362,948	515,583,782	391,593,295
1997-98	33,706,470,792	10,647,933,789	9,360,046,370	813,501,653	474,385,766	7,303,138,660	6,280,516,965	634,766,710	388,294,985
1998-99	34,408,511,843	10,895,717,859	9,483,759,205	873,944,396	538,014,258	7,491,537,089	6,372,341,408	681,039,273	438,156,409
1999-00	38,576,009,345	11,087,336,546	9,625,554,203	954,014,066	507,768,277	7,579,090,297	6,420,180,086	747,640,155	411,270,056
2000-01	39,576,025,308	11,390,199,691	9,878,827,579	953,834,854	557,537,258	7,752,879,515	6,544,802,327	745,794,683	462,282,505
2001-02	42,634,022,131	13,373,373,440	11,649,748,674	1,059,163,097	664,461,669	9,029,225,021	7,681,717,993	794,416,879	553,090,149

- (1) Supplemental assessment of properties include those which were improved, demolished, or damaged between January 1 and September 1.
(2) The assessment date for property is January 1 (pickup assessments and cancellations for each year in minor amounts are not reflected.)
(3) Estimated property value is based on amounts in Tax Aggregate Reports from Tennessee State Board of Equalization. These amounts include both the GSD and USD. The State does not provide a breakdown of the estimated property value for the GSD and USD separately.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
GENERAL FUND (1) (2) (3)

FIVE YEAR SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

	Years Ended June 30				
	2002	2001	2000	1999	1998
REVENUES:					
Property taxes	\$ 340,182,082	\$ 266,534,541	\$ 255,958,467	\$ 250,095,609	\$ 245,392,041
Local option sales tax	75,486,161	78,323,804	78,072,027	74,452,947	72,214,977
Other taxes, licenses and permits	75,699,531	78,457,620	77,221,770	73,304,945	68,547,321
Fines, forfeits and penalties	9,197,437	9,886,470	11,623,769	11,382,032	10,734,283
Revenue from use of money of property	1,793,043	2,634,827	2,435,785	3,960,366	2,790,543
Revenue from other governmental agencies	93,569,510	93,730,534	96,819,242	98,164,129	93,885,607
Commissions and fees	14,356,454	13,516,675	13,756,439	14,577,828	14,416,683
Charges for current services	20,969,793	19,681,031	18,924,947	18,433,071	18,304,523
Compensation for loss, sale or damage to property	1,303,830	1,313,367	1,301,870	1,800,520	1,119,673
Contributions and gifts	443,000	844,515	720,840	-	-
Miscellaneous	547,519	774,285	1,580,231	1,731,687	1,284,012
Total Revenues	633,548,360	565,697,669	558,415,387	547,903,134	528,689,663
EXPENDITURES					
General Government	27,660,246	23,780,866	23,575,104	24,269,182	22,913,073
Fiscal Administration	19,765,287	17,128,581	15,835,754	18,309,022	15,574,998
Administration of Justice	43,163,240	39,377,240	41,327,826	39,563,106	36,313,336
Law enforcement and care of prisoners	159,551,996	140,935,478	140,897,348	147,489,469	139,199,642
Fire prevention and control	79,073,811	67,145,761	68,744,162	68,780,838	67,462,700
Regulation and inspection	7,177,920	5,890,959	6,211,955	6,849,852	6,186,478
Conservation of natural resources	319,543	354,787	300,301	292,287	277,869
Public welfare	12,554,567	12,758,996	16,941,661	16,519,502	15,535,398
Public health and hospitals	68,431,324	28,794,563	27,810,992	27,388,492	27,713,999
Public library system	16,237,004	11,815,438	10,275,471	9,882,149	10,335,377
Public works, highway, and street	30,688,707	30,886,707	32,731,146	36,271,472	43,575,786
Recreational and cultural	30,305,628	27,826,667	27,751,742	27,709,921	27,510,024
Employee benefits	46,876,942	44,796,706	43,186,268	41,326,087	41,318,534
Miscellaneous	33,791,687	12,533,657	10,979,389	5,821,492	6,569,187
Total Expenditures	575,597,902	464,026,406	466,569,119	470,472,871	460,486,401
Excess (Deficiency) of revenues over expenditures	57,950,458	101,671,263	91,846,268	77,430,263	68,203,262
OTHER FINANCING SOURCES (USES)					
Transfers in	9,884,702	9,164,813	10,961,503	11,682,853	9,402,182
Transfers out	(58,397,575)	(98,980,994)	(93,704,718)	(89,539,224)	(90,227,271)
Total Other Financing Sources (Uses)	(48,512,873)	(89,816,181)	(82,743,215)	(77,856,371)	(80,825,089)
Excess (deficiency) of revenues and other sources over expenditures and other uses	9,437,585	11,855,082	9,103,053	(426,108)	(12,621,827)
FUND BALANCE, beginning of year	100,050,654	88,195,572	57,969,671	58,395,779	71,017,606
FUND BALANCE, end of year	\$ 109,488,239	100,050,654	67,072,724	\$ 57,969,671	\$ 58,395,779

(1) For fiscal year 2001, beginning fund balances was restated due to GASB 33, Accounting and Reporting for Non-exchange Transactions.

(2) For fiscal year 2002, funds are stated according to GASB 34

(3) Certain numbers have been re-classified for comparative purposes.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
SPECIAL REVENUE FUNDS (1)

FIVE YEAR SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

	Years Ended June 30				
	2002	2001	2000	1999	1998
REVENUES:					
Property taxes	\$ 165,634,153	\$ 111,206,690	\$ 110,610,784	\$ 109,211,904	\$ 109,191,849
Local option sales tax	139,791,405	141,948,976	142,681,260	135,799,771	133,049,822
Other taxes, licenses and permits	18,070,950	19,239,743	34,764,271	26,395,401	37,120,550
Fines and costs	2,426,296	2,859,655	4,289,185	3,370,377	2,788,968
Revenue from the use of money or property	3,062,711	5,113,227	5,486,721	4,801,730	5,686,676
Revenue from other governmental agencies	233,889,777	214,255,669	203,788,422	231,550,400	211,479,510
Charges for current services	27,098,098	27,514,419	30,896,363	28,404,978	28,422,781
Compensation for loss, sale or damage to property	1,185,638	1,507,523	753,891	1,104,051	1,324,765
Grants, contributions and gifts	8,786,549	8,605,279	8,563,416	7,213,169	6,694,816
Miscellaneous	23,482	79,984	36,895	11,573	163,163
Total revenues	<u>599,969,058</u>	<u>532,331,165</u>	<u>541,871,208</u>	<u>547,863,354</u>	<u>535,922,900</u>
EXPENDITURES					
Personal services	433,109,794	400,294,114	394,251,712	373,743,668	367,984,701
Contractual services	67,471,741	51,073,832	72,260,861	73,329,000	59,686,389
Supplies	56,752,972	47,929,718	38,121,002	36,462,793	27,900,661
Other	35,983,659	36,594,898	14,983,548	16,633,134	41,465,473
Capital outlay	6,546,573	6,212,752	15,215,722	68,108,787	28,738,218
Total Expenditures	<u>599,864,739</u>	<u>542,105,314</u>	<u>534,832,845</u>	<u>568,277,382</u>	<u>525,775,442</u>
Excess (deficiency) of revenues over expenditures	<u>104,319</u>	<u>(9,774,149)</u>	<u>7,038,363</u>	<u>(20,414,028)</u>	<u>10,147,458</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	53,370,028	46,775,915	50,128,437	39,158,219	36,023,230
Transfers out	<u>(23,486,847)</u>	<u>(29,795,569)</u>	<u>(38,188,832)</u>	<u>(39,092,487)</u>	<u>(32,452,357)</u>
Total Other Financing Sources (Uses)	<u>29,883,181</u>	<u>16,980,346</u>	<u>11,939,605</u>	<u>65,732</u>	<u>3,570,873</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	29,987,500	7,206,197	18,977,968	(20,348,296)	13,718,331
FUND BALANCE, beginning of year, as restated	<u>117,211,565</u>	<u>109,968,273</u>	<u>100,677,848</u>	<u>121,010,530</u>	<u>107,292,199</u>
FUND BALANCE, end of year	<u>\$ 147,199,065</u>	<u>117,174,470</u>	<u>\$ 119,655,816</u>	<u>\$ 100,662,234</u>	<u>\$ 121,010,530</u>

(1) Certain numbers have been re-classified for comparative purposes.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
DEBT SERVICE FUNDS (1) (2) (3) (4)

FIVE YEAR SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

	Years Ended June 30				
	2002	2001	2000	1999	1998
REVENUES:					
Property taxes	\$ 92,583,740	\$ 93,121,235	\$ 89,467,041	\$ 87,689,394	\$ 71,409,284
Local option sales tax	16,429,787	16,930,017	16,439,343	14,745,540	11,886,519
Commissions and fees	2,319,945	5,892,842	50,000	-	-
Revenue from the use of money of property	4,489,644	3,878,324	5,651,070	4,436,985	4,830,017
Revenue from other governmental agencies	17,573,817	897,489	4,171,045	4,113,196	2,255,149
Compensation for loss, sale, or damage to property	-	1,500,050	-	-	19,000
Total Revenues	<u>133,396,933</u>	<u>122,219,957</u>	<u>115,778,499</u>	<u>110,985,115</u>	<u>90,399,969</u>
EXPENDITURES					
Principal retirement	68,255,000	56,825,000	51,925,000	51,530,000	46,990,000
Interest	63,448,704	49,834,336	59,563,984	53,182,744	49,423,775
Fiscal charges	474,195	457,179	427,424	28,286	40,309
Refunding bond issue costs	<u>1,574,378</u>	<u>-</u>	<u>-</u>	<u>91,252</u>	<u>847,014</u>
Total Expenditures	<u>133,752,277</u>	<u>107,116,515</u>	<u>111,916,408</u>	<u>104,832,282</u>	<u>97,301,098</u>
Excess (deficiency) of revenues over expenditures	<u>(355,345)</u>	<u>15,103,442</u>	<u>3,862,091</u>	<u>6,152,833</u>	<u>(6,901,129)</u>
OTHER FINANCING SOURCES (USES)					
Proceeds of refunding bonds, net of discount	74,193,796	73,745,000	-	7,355,000	110,990,000
Payments to refunded bond escrow agent	(87,228,769)	(77,885,410)	-	(7,377,668)	(107,695,881)
Bond issue premium (discount)	1,323,046	4,620,921	-	56,061	(2,574,747)
Transfers in	16,788,988	24,333,599	31,038,063	26,296,610	21,295,380
Transfers out	-	(3,567,645)	(10,896,029)	(6,438,404)	(5,900,000)
Total Other Financing Sources (Uses)	<u>5,077,061</u>	<u>21,246,465</u>	<u>20,142,034</u>	<u>19,891,599</u>	<u>16,114,752</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>4,721,717</u>	<u>36,349,907</u>	<u>24,004,125</u>	<u>26,044,432</u>	<u>9,213,623</u>
FUND BALANCE, beginning of year, restated	161,819,538	125,469,631	111,670,929	85,626,497	76,412,874
FUND BALANCE, end of year	<u>\$ 166,541,255</u>	<u>161,819,538</u>	<u>\$ 135,675,054</u>	<u>\$ 111,670,929</u>	<u>\$ 85,626,497</u>

(1) Includes the Correctional Facility Revenue Bonds.

(2) Also included the Sports Authority Stadium Revenue Bonds, beginning fiscal year 1997.

(3) Also includes the Sports Authority Arena Revenue Bonds, beginning fiscal year 1998.

(4) Certain numbers have been re-classified for comparative purposes.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
COMPUTATION OF NET GENERAL OBLIGATION DEBT

June 30, 2002

Gross General Obligation Debt		
General Obligation Bonds Payable		
General Services District:		
For School Purposes	\$ 400,316,587	
For General Purposes	677,233,734	
Urban Services District:		
For General Purposes	<u>109,694,679</u>	
Total Gross General Obligation Debt		\$ 1,187,245,000
Less:		
Amounts Available In Debt Service Funds		
General Services District:		
For School Purposes	\$ 70,399,950	
For General Purposes	79,895,959	
Urban Services District:		
For General Purposes	<u>11,769,673</u>	
Total Amounts Available In Debt Service Funds (1)		\$ 162,065,583
Debt Payable From Other Sources		
Hotel Occupancy Tax (1)		
Convention Center Project:		
G.O. Refunding Bonds of 1993	\$ 17,861,027	
G. O. Multi-Purpose Improvement Bonds, Series 1997A	<u>4,498,919</u>	
Total Debt Payable From Other Sources		<u>22,359,946</u>
Net General Obligation Debt		<u><u>\$ 1,002,819,471</u></u>

(1) Excludes the Correction Facility Revenue Bonds.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

DEBT RATIOS
AS OF JUNE 30, 2002

Total Debt (1)			
Debt to Estimated Market Value		2.78	%
Debt to Assessed Value		8.88	%
Debt per Capita	\$	2,038.19	
Net Debt (1)			
Debt to Estimated Market Value		2.35	%
Debt to Assessed Value		7.50	%
Debt per Capita	\$	1,721.58	
The above table is based upon:			
Estimated Market Value	\$	42,634,022,131	(2002)
Assessed Value	\$	13,373,373,000	(2002)
Population (2)		582,500	(2002)

CALCULATION OF SELF-SUPPORTING DEBT

	As of
	June 30, 2002
Hotel Occupancy Tax:	
Convention Center Project (3)	
G.O. Refunding Bonds of 1993	\$ 17,861,027
G.O. Multi-Purpose Improvement Bonds,	
Series 1997A	4,498,919
	<u>\$ 22,359,946</u>

- (1) Please refer to pages H-3 (Estimated Market Value), H-18 and H-19 in the 2002 CAFR.
(2) Source: projected based on existing population and growth rates.
(3) General improvement bonds represent outstanding general obligation bonds issued for the convention center, the debt service payments which are reimbursed from the hotel-motel room

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

Total Debt Service as of June 30, 2002
Secured by Ad Valorem Taxes

Year Ending June 30	GSD		USD	Total GSD and USD
	School Purposes	General Purposes	General Purposes	
2003	43,349,232	76,359,036	16,342,525	136,050,793
2004	43,340,144	75,436,963	16,117,256	134,894,363
2005	42,549,961	75,003,548	15,969,977	133,523,486
2006	41,391,228	74,967,432	15,937,337	132,295,997
2007	38,127,916	62,030,876	12,847,343	113,006,135
2008	36,027,759	59,013,971	12,317,594	107,359,324
2009	33,341,751	52,208,152	8,200,799	93,750,702
2010	31,013,027	50,708,372	8,202,432	89,923,831
2011	29,845,325	49,240,314	7,603,189	86,688,828
2012	28,650,035	42,877,697	6,632,238	78,159,970
2013	27,478,317	41,367,044	6,024,894	74,870,255
2014	26,314,857	40,601,966	4,774,781	71,691,604
2015	25,151,023	39,836,382	4,768,194	69,755,599
2016	23,989,096	38,340,105	1,758,338	64,087,539
2017	22,825,932	37,568,405	1,464,188	61,858,525
2018	21,364,810	30,382,401	-	51,747,211
2019	21,338,771	26,691,471	-	48,030,242
2020	14,357,073	26,679,588	-	41,036,661
2021	10,272,736	23,573,857	-	33,846,593
2022	10,281,095	22,852,826	-	33,133,921
2023	10,287,787	22,850,854	-	33,138,641
2024	10,293,953	22,849,198	-	33,143,151
2025	10,303,361	22,850,423	-	33,153,784
2026	1,957,808	13,092,792	-	15,050,600
2027	1,953,446	7,782,495	-	9,735,941
2028	1,946,936	7,771,311	-	9,718,247
2029	-	5,531,981	-	5,531,981
2030	-	5,526,356	-	5,526,356
2031	-	-	-	-
	607,753,379	1,053,995,816	138,961,085	1,800,710,280
Deferred Cost	-	-	(3,135,136)	(3,135,136)
	<u>\$ 607,753,379</u>	<u>\$ 1,053,995,816</u>	<u>\$ 135,825,949</u>	<u>\$ 1,797,575,144</u>

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

Non-Tax Revenues (1)
Fiscal Years Ending June 30, 1998 through June 30, 2002
and Projected for Fiscal Year Ending June 30, 2003

	2003 PROJECTED	2002	2001	2000	1999	1998
Pilot Payment	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000
Other Payments in Lieu of Taxes	13,185,000	13,081,213	11,003,176	10,277,572	9,974,085	8,488,698
Licenses	13,523,375	13,544,950	13,473,512	13,618,045	13,001,802	14,627,428
Permits	9,617,200	9,688,017	9,959,722	11,073,840	10,325,983	6,753,188
Franchise Fees	12,380,000	11,607,929	12,351,270	10,175,361	10,664,430	4,632,798
Fines, Forfeitures, and Penalties	8,183,473	9,197,437	9,886,469	11,623,769	11,382,032	7,543,844
Revenue from the Use of Money or Property	1,088,254	1,454,843	2,241,616	2,182,841	3,582,644	2,491,975
Commission and Fees (2)	8,284,822	8,914,178	8,479,129	8,431,510	9,469,465	9,798,932
Charges for Current Services	20,592,443	20,162,929	18,898,392	18,146,223	17,677,881	20,185,622
Compensation from Property	922,147	1,274,646	1,301,488	1,301,870	1,780,520	270,893
Contributions and Gifts (3)	467,817	443,000	844,515	720,840	-	-
Miscellaneous Revenue	461,400	546,543	759,985	724,067	1,673,078	777,428
	<u>\$ 92,705,931</u>	<u>\$ 93,915,684</u>	<u>\$ 93,199,274</u>	<u>\$ 92,275,938</u>	<u>\$ 93,531,920</u>	<u>\$ 79,570,806</u>
TOTAL						

(1) Includes only collections within the General Services District of the Metropolitan Government.

(2) Adjusted to reflect the elimination of non-cash revenue reported only for financial statement presentation.

(3) Contributions and gifts were included as miscellaneous revenues prior to fiscal year 2000.

Additional Information Relative to
Energy Production Facility Revenue Bonds, Series 1997A
Energy Production Facility Revenue Bonds, Series 1997B

The following table shows the amount of the Annual Metro Payments to Nashville Thermal Transfer Corporation for the past five years, and the amount budgeted for fiscal year 2003:

Annual Metro Payment

Fiscal Year	
2003 Budgeted (6)	N/A
2002	\$ 12,762,656
2001	\$ 11,637,203
2000	\$ 8,187,817
1999	\$ 6,208,888
1998	\$ 6,208,888
1997	\$ 5,796,763

Economics of the System

	<u>FY 1997</u>	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
Energy Revenues (1)	\$ 9,642,790	\$ 10,570,057	\$ 10,779,671	\$ 11,929,293	\$ 12,502,404	\$ 13,563,934
Metro Payments (2)	5,796,763	6,208,888	7,636,272	7,200,000	11,492,152	7,874,693
Accrued Payment (3)			551,545	588,360	145,051	4,887,963
Other Revenues	<u>1,433,744</u>	<u>2,528,280</u>	<u>1,295,777</u>	<u>1,050,494</u>	<u>1,050,494</u>	<u>667,843</u>
Total Revenues	16,873,297	19,307,225	20,263,265	20,768,147	25,190,101	26,994,433
Operating Expenses Exclusive of Extraordinary Maintenance (4)	<u>6,624,534</u>	<u>7,616,797</u>	<u>9,837,945</u>	<u>10,401,110</u>	<u>12,551,294</u>	<u>14,781,617</u>
Income Available for Debt Service	10,248,763	11,690,428	10,425,320	10,367,037	12,638,807	12,212,816
Debt Service (5), (6)	4,560,431	9,339,525	9,336,630	9,336,630	9,336,630	N/A
Debt Service Coverage	2.25	1.25	1.12	1.11	1.35	N/A

Notes

(1) Energy Revenues consist of revenues from steam service, chilled water service, and electricity.

(2) Metro payments during the fiscal year. Includes \$2,562,852 in 1997 and \$1,217,193 in 1998 for the chilled water project.

(3) Accrued Metro payments

(4) Extraordinary maintenance expenses and capital improvements are excluded from the calculations required for debt service coverage. Nashville Thermal's Extension and Replacement Fund and Construction Fund have funds for extraordinary maintenance.

(5) Debt service amount includes principal and interest requirements on the 1994 Bonds, the 1997A Bonds, and the 1997B Bonds.

(6) Bonds Series 1994, 1997A and 1997B were retired in May, 2002

Source: Nashville Thermal Transfer Corporation

**ANNUAL FINANCIAL INFORMATION
DUE JANUARY 31, 2003 FOR
THE STATE FUNDING BOARD
State of Tennessee
Office of the Comptroller of the Treasury
Division of Bond Finance
Suite 1600 James K. Polk Bldg.
Nashville, Tennessee 37243-0273
(615) 401-7872
Fax: (615) 741-5986**

Dated: January 30, 2003

Related to the following Issue of The Metropolitan Government of Nashville and Davidson County (Tennessee)

- \$16,265,000 Special Limited Obligation Correctional Facilities Revenue Refunding Bonds, Series 2002 dated as if February 1, 2002, maturing serially September 1, 2002 through September 1, 2011, with CUSIP#'s listed on the attached schedule , Undertaking dated as of February 21, 2002.

TENNESSEE STATE FUNDING BOARD

Relevant Bond Cusip Numbers

**\$16,265,000 The Metropolitan Government of Nashville and Davidson County (Tennessee)
Special Limited Obligation Correctional Facilities Revenue Refunding Bonds, Series 2002,
dated February 1, 2002**

<u>CUSIP NUMBER</u>	<u>AMOUNT</u>	<u>MATURITY DATE</u>
592024AY9	1,395,000	September 1, 2003
592024AZ6	1,450,000	September 1, 2004
592024BA0	1,505,000	September 1, 2005
592024BB8	1,570,000	September 1, 2006
592024BC6	1,630,000	September 1, 2007
592024BD4	1,710,000	September 1, 2008
592024BE2	1,795,000	September 1, 2009
592024BF9	1,885,000	September 1, 2010
592024BG7	<u>1,985,000</u>	September 1, 2011
	\$14,925,000	